

Employment and Retirement of Elderly Workers

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IT is now common knowledge that the proportion of persons in the older age groups has been increasing. In 1900 the age group 45-64 years contributed 13.7 percent to the total population; in 1955 the corresponding percentage was 20.2. The group aged 65 years and over constituted 4.1 percent of the population in 1900, the percentage gradually increasing to 8.5 in 1955 (1). Moreover, in 1890 as many as 68 percent of the men aged 65 and over were in the labor force; in 1955 the corresponding percentage was less than 40 (2). These facts have given rise to what has been known for some time as the problem of the aging worker.

It has been stated that the adoption of certain employment and retirement policies has retarded a solution of the problem (3). Under such policies, an increasing body of persons, willing and able to work, may well be lost to the labor force. Hence the potential production as well as the purchasing power of this increasing proportion of the population would be sacrificed. In addition, the question arises of the possible deterioration of the social and

economic well-being of this group with all of the attendant implications.

This paper presents some material on hiring and retirement practices based essentially on correspondence with a small sample of industries and on the results of two published surveys. It is hoped that the practices as presented, together with the bibliographic material, will be helpful in the quest for a solution of this urgent problem.

Employer and Employee Viewpoints

The problem of the aging worker, as one might suspect, is met differently by the employer and the employee. The employer thinks of possible changes in hiring and placement procedures, the optimum employment of the worker as he ages, the effect of aging on work performance, what his responsibility should be with regard to practices before and after retiring, the attitude of older workers toward retirement, the increasing costs of pensions, and changes in retirement policies.

The employee, on the other hand, has another complex of thoughts. He is concerned with the question of adequate income when the retirement age is reached. He is deeply concerned with what his health status and that of his family will be during retirement. In addition to the economic and health aspects there are the psychological ones generated in the workshop and home environments, and deeply conditioned by the feeling that the employee wants to be understood, that he wants to be accepted as he

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is and not remade, and finally that he wants to be given the respect to which he feels entitled. All of these thoughts and feelings have a profound influence on both the employee and the employer.

Employment Practices

In any consideration of employment practices specifically with reference to the part played by the age factor in the hiring of workers, a number of related factors must be recognized. A company's attitude toward hiring elderly workers is probably influenced by its experiences with the retirement of its employees. Other factors include the physical demands of the particular job, the condition of the labor market, company size, and the type of industry.

Moreover, when no policy with regard to age exists, decisions are made by the employing staff on individual cases. Such decisions may be influenced by the worker's previous length of service with the company. The worker who has grown old in service is viewed differently from the elderly applicant new to the company.

It will be agreed that employment practices are determined by a number of factors, some known and others probably unknown to management itself.

Newspaper "Help Wanted" Sampling

A reading of one day's help wanted section of a Washington newspaper showed that 87 percent of a sample of 132 advertisements for men workers made no reference to age; the corresponding percentage for a sample of 120 women workers was 88 percent. For men, 13 notices specified that the worker be under 45. These were classifiable according to job as follows: professional and managerial, 4; clerical and sales, 6; and services, 3. For women, 14 notices required workers under 45, with 2 in the professional and managerial group, 10 in clerical and sales, and 2 in services.

Similarly, a New York newspaper revealed no reference to age in about 95 percent of 375 notices for men, and a similar percentage for 1,361 women. Ages under 35 were specified for 13 men, 3 in the professional and managerial group, 9 in clerical and sales, and 1 in the un-

skilled group. For the women, 70 of the 1,361 notices required workers under 45 years of age, 10 in the professional and managerial group, 58 in clerical and sales, and 2 in services. More than half of the notices requiring clerical and sales workers under 45 specified a "young" woman.

From this newspaper sampling it would seem that a large majority of work establishments did not consider age as a factor in the employment of men and women for certain types of work.

A striking contrast is afforded by the job-opening specifications of the local employment office in seven metropolitan districts representing a nationwide sampling (4). Of the 21,000 jobs listed in April 1956, 40 percent specify under 45 years as a maximum age limitation, with little distinction between percentages for men and women. The percentages for certain occupational groups regardless of sex follow: clerical, 57; professional and managerial, 45; service, 35; semiskilled, 33; and skilled, 15. Should the skilled classification be omitted, it will be noted that the proportion of listings specifying a maximum age limitation varies from about one-third for the semiskilled group to more than one-half for the clerical. The relatively low percentage for the skilled classification undoubtedly reflects the growing shortage of skilled workers in many occupations (5).

Pennsylvania Survey

The Pennsylvania survey obtained information on the age factor in employment from interviews with 358 establishments comprising more than a million Pennsylvania workers (6). The report pointed out that it is a common practice to establish age barriers to hiring. The percentage of establishments with more than 1,000 employees for different industrial groups imposing hiring restrictions because of age is given below.

| <i>Establishments</i> | <i>Percent with hiring restrictions</i> |
|-----------------------|---|
| Mining..... | 70.0 |
| Service..... | 66.7 |
| Finance..... | 57.0 |
| Trade..... | 55.0 |
| Transportation..... | 53.3 |
| Manufacturing..... | 49.2 |

SOURCE: Based on part of table 3, p. 41, reference 6.

It will be noted that the percentage varied from a maximum of 70.0 for mining to a minimum of 49.2 for manufacturing. Two-thirds of the service establishments had age restrictions as did more than half of finance, trade, and transportation.

The reasons for adopting the policy of imposing hiring restrictions given by establishments with more than 1,000 employees are presented in the table. It will be seen that the chief reasons are physical factors and pension costs. Attention is directed also to the relatively large proportion of establishments giving no reason for imposing restrictions. Reluctance to furnish this information probably reflects the lack of objective support for the adopted policy.

Current Hiring Practices

Some pertinent information was received by correspondence with a company engaged in the making of electrical machinery and equipment, a steel fabricator, an insurance company, a manufacturer of transportation equipment, a department store, and a maker of chemicals and allied products.

The electrical machinery producer, the transportation equipment manufacturer, and the department store did not refer to the adoption of any age policy with regard to hiring.

The steel company indicated that it fills job requirements by selecting from the available labor force those applicants best qualified to perform the work safely.

The insurance company, primarily a compensation insurer, reports that so far as the company is concerned, policyholders could and

should employ handicapped persons be they handicapped from accident, disease, or age.

The chemical producer indicated that the policy is followed of hiring the right man for the job regardless of age, adding that the age factor, as well as physical handicaps, is often confused with the more basic issue of the applicant's having nothing to offer which justifies his employment.

Thus, from this small sample of industries employing thousands of workers, it would seem that there is no agreement on the age factor in the hiring of workers.

Retirement Practices

That it should assist workers in adjusting to retirement seems to be an increasingly accepted responsibility of industry. In 1948 there were relatively few preretirement programs. According to the results of a nationwide survey, more than 50 percent of the companies in the sample had by 1952 some kind of preretirement counseling; by 1954 the percentage rose to 65 with 35 percent of the companies reporting that their interest extended to making one of their employees responsible for visiting retired workers (7). As in the instance of employment practices, there are probably a number of factors known and unknown to management which determine the retirement practices currently followed.

Current Retirement Practices

The six companies referred to above also provided some information on retirement practices.

The electrical machinery producer found it

Percentage distribution of establishments with over 1,000 employees imposing hiring restrictions because of age, according to reason for restriction

| Reason | Mining | Service | Finance | Trade | Transportation | Manufacturing |
|--------------------|--------|---------|---------|-------|----------------|---------------|
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Physical factors | 56.0 | | | 50.0 | 25.0 | 34.4 |
| Pension costs | | | 33.3 | 16.7 | 50.0 | 13.1 |
| Training time | | | | | | 8.2 |
| Insurance costs | | | | | | 1.6 |
| Production quality | | | | | | 1.6 |
| Production rate | | | | | | 1.6 |
| Other factors | 15.0 | 50.0 | 66.7 | 16.6 | | 14.7 |
| No reason stated | 29.0 | 50.0 | | 16.7 | 25.0 | 24.8 |

SOURCE: Based on part of table 3, p. 41, reference 6.

desirable in its early deliberations on retirement practices to organize special programs for the preparation of employees for retirement. Currently, however, the company believes that the essential preretirement counseling can best be conducted through previously established continuing appraisal and counseling programs paying due respect to any individual differences that might occur among the group ready to retire. The company considers compulsory retirement desirable and recognizes that separation from service can be made a satisfying experience only if the separation is approached as a mutual interest. Considerable emphasis is placed on the emotional and financial aspects. Interest is also shown in visits by company representatives to the homes of retired employees to determine the effectiveness of any counseling that might have been performed; such visits are scheduled to occur 1 month, 6 months, and 1 year after retirement, and annually thereafter.

The steel company reported that it does not conduct preretirement or postretirement counseling or educational programs.

The insurance company indicated it had a "makeshift" retirement program with a normal retirement age at 65 for men and 60 for women. Management has been given the authority to retain until his 68th birthday a male employee, at the employee's request, at suitable employment depending on physical condition and aptitude; the corresponding age for women is 65. When these ages have been attained, the board of directors alone may request the employee to continue to work under terms laid down by the board. A relatively large number of persons have been kept at work after age 65. The company reports that substantially nothing has been done in the preparation of employees for retirement although the personnel department has had some contacts with a professional counselor on the subject.

Like many other companies, the manufacturer of transportation equipment uses as a basic tool the series of seven booklets issued under the title, *My Time Is My Time* (8). The booklets, generally distributed among the employees at intervals before actual retirement, deal with such subjects as the need for a long preparation for retirement, a review by the

employee of his job and of the company for which he works, life insurance and other investments, health, budget making, housing, occupations and hobbies, and restlessness and boredom. The booklets emphasize the strong need for the development of a frame of mind leading to a full and rewarding life after retirement.

The department store subscribes to voluntary retirement. Its workers are privileged to continue working after the age of 65 provided their health and production are maintained. Information on these subjects is developed from an annual physical examination performed by the store physician and a yearly review of performance on the job. Annual interviews on questions of retirement are held with workers 64 years of age and over during the month of their birthday. In addition nine conferences of 1½ hours each, on company time, are devoted to the subject of preparation for retirement.

Retired workers retain all of the privileges they had while working in the store including the usual shopping discounts, group insurance, visits to the medical department, legal department services, and receipt at their home of the monthly house organ.

The store emphasizes the importance of gaining the confidence of employees in the purposes of the retirement program. Moreover, it is insisted that the retired worker continue to feel a part of the organization. In this connection birthdays are remembered and Christmas gatherings are held at which gifts are distributed. Management feels that such activities on their part have a profound, beneficial effect on the morale of the entire force.

The maker of chemicals and allied products feels that no definite plan has been adopted for preparing workers for retirement, and that none of the plans that have come to his attention is sufficiently appealing to warrant adoption; furthermore the correspondent refers to the fact that in a number of companies where lectures and counseling had been used in efforts to provide some preparation for retirement, the programs were terminated after a few years of experience with them. However, the company has urged all of its physicians to discuss retirement plans with workers at the time

of annual physical examinations. Among the items emphasized are choosing satisfying activities long before retirement, considering retirement as equivalent to a change in job and as an opportunity to engage in long postponed activities, and the cultivation of patterns of thinking and motivation which increases the retired employee's usefulness to others.

Survey of 657 Companies

A survey was recently conducted of company practices related to older workers and retirement (9). The 657 cooperating companies, located primarily in the East and Middle West, and constituting some 2.5 million employees in the major industrial groups, were selected so that added weight was given to the manufacturing industries and, to some extent, the larger companies. A review of the survey findings not only indicates the extent of such practices but also reveals the kind of practices engaged in by the companies sampled.

In their efforts to prepare employees for retirement, 19 percent of the companies diminish the workloads and increase the free time of employees as they approach retirement age. Sixteen percent make use of hobby shows, publish appropriate articles in their house organ, establish service clubs, present service awards, or give dinners for those retiring. Thirteen percent introduce vocational training for different kinds of work, and less than 3 percent initiate programs on retirement needs.

With regard to preretirement counseling, 54 percent of the companies have interviews with employees on the subject of retirement. In 45 percent the interview covers the amount of pension to be expected and in 34 percent retirement financial problems are considered. Eight percent have a minimum of 2 interviews with the first occurring at least 1 year in advance of the date of retirement.

The question of company contact with the employee after he retires also was raised in the survey. Forty-one percent of the companies encourage retired workers to return for discussion of their problems; 24 percent send out Christmas, birthday, and sympathy letters, company notices, and various kinds of invitations; 22 percent offer financial aid; 15 percent make available their employee social fa-

cilities; and 13 percent mail out letters on plant developments.

The 657 companies reported 475 life insurance benefit plans in effect for active workers. About one-third of the plans made available to retired workers the full amount of benefit at no cost, at the same cost, or increased cost; fewer than one-third provided a reduced amount of benefit under similar cost conditions.

A total of 476 plans indicated health insurance benefits in effect for active workers. About 15 percent of the plans made the full amount of benefit available to retired workers at no cost, at the same cost, or increased cost; about 3 percent provided a reduced amount of benefit under similar conditions.

Necessity for Adjustment Programs

One of the observations that might be made from a review of company practices is that there is no unanimity of opinion with regard to the necessity for retirement adjustment programs.

Those not in favor of retirement adjustment programs believe that such programs, although designed to cushion "retirement shock," actually create apprehension in the employee approaching retirement, that long before his retirement he is made to feel that he will be superannuated at a specific age, that the feeling is implanted that retirement will be utopian in character, that the employee's interest in his job may diminish as he rides out retirement, and that in any regard retirement adjustment activities are not the responsibility of management and the concomitant counseling is an invasion of the employee's privacy. Furthermore, as one executive stated, if the employee approaching retirement has problems with which he could have been helped earlier through the established management or community agency channels, he is not likely to benefit from any adjustment program (7).

On the other hand, as pointed out earlier, the proportion of industries subscribing to retirement programs is increasing for reasons that are known as well as unknown to management.

Conclusion

It is unnecessary to belabor the observation made more than a decade ago that the increas-

ing proportion of elderly persons in the population has produced new social stresses and strains. There is no homogeneity in the solutions offered by industry to the two major issues of employment and retirement of the older worker, indicating not only the complex nature of the problem but also the lack of factual material upon which to base a solution. As the problem becomes ever-increasingly urgent progress will be forced, through the accumulation of experiences, leading eventually to the effective use of the skills of the elderly worker and to a full life in the retirement years.

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Beryllium Case Registry

The Beryllium Case Registry at the Massachusetts General Hospital in Boston was established in 1952 to correlate work exposures causing beryllium poisoning, to delineate its clinical character, to evaluate treatment, and to increase knowledge of the prognosis of the disease. The registry is supported by the Division of Biology and Medicine, Atomic Energy Commission.

Through the registry's data on beryllium poisoning, industrial plants and Government agencies that wish to continue using certain beryllium compounds can learn of measures necessary to prevent the disease. To increase its usefulness, the registry seeks original chest X-rays and biopsy or autopsy material. By its study of accumulated knowledge of cases and by assaying tissue and body fluids for the presence of beryllium, the service has already done a great deal to assist physicians in diagnosing beryllium poisoning. Physicians and medical students are always welcome to study the registry's data.

Beryllium poisoning is of interest in itself and also because it mimics other granulomatous diseases such as tuberculosis and sarcoidosis. With the etiology of beryllium poisoning known it may be possible by clinical investigation and by animal experimentation to expand knowledge of the pathogenesis of a group of

diseases difficult to classify and study. It is not yet known how low a level or how short a time of exposure can produce the chronic illness.

There are 528 cases of beryllium poisoning in the registry; 225 are acute and 303 chronic. Cases are entered by number so that the physicians and patients are anonymous. Questionnaires are used in obtaining both original and followup data. The registry may pay for copying original records or for clerical help. Cases are followed annually, through the family physician whenever possible.

Because of the steps industry has taken to prevent exposure to toxic compounds, few if any cases of acute beryllium poisoning are expected to be reported in the future. Chronic beryllium disease, however, continues to appear because of the delay between the last exposure to the compound and the onset of illness.

In the continuing search for new cases of beryllium poisoning or for cases not previously recognized as related to earlier exposure to beryllium, the registry seeks the interest and help of private physicians and public health officials.

Beryllium has assumed industrial significance because of its expanding uses in the construction of nuclear reactors and its effects on the resilience of copper.

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